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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

September 1, 2011

Scott Nussbaum
Utah Department of Transportation
166 Southwell Street
Ogden, Utah 84404

Subject: Initial Review of Escalation Submittal, Utah Department of Transportation, UDOT Beck Street Quarry, M/011/0003, Utah County, Utah

Dear Mr. Nussbaum:

The Division of Oil, Gas and Mining has completed a review of the surety calculations for your Notice of Intention to Commence Large Mining Operations (NOI) for the UDOT Beck Street Quarry, which was received July 14, 2011. The attached comments will need to be addressed before the reclamation surety is to be submitted. The review includes comments about two issues in addition to the surety calculations.

The comments are listed under the applicable Minerals Rule heading; please format your response in a similar fashion. Please address only those items requested in the attached technical review by sending replacement pages for the original NOI. Upon final approval, we will return one copy stamped "approved" for any changes to your NOI for your records.

The Division will suspend further review until your response to this letter is received. If you have any questions in this regard please contact me at 801-538-5261, Leslie Heppler (lah) at 801-538-5257, Tom Munson (TM) at 801-538-5321, or Wayne Western (whw) at 801-538-5263. Thank you for your cooperation in submitting the surety calculations.

Sincerely,

Paul B. Baker
Minerals Program Manager

PBB:lah:eb

Attachment: Review

P:\GROUPS\MINERALS\WP\M011-Davis\M0110003-UDOTBeckStreetQuarry\final\REV-ESCAL-4248-09302011.doc

**Initial Review of Escalation
Utah Department of Transportation
UDOT Beck Street Quarry
M/011/0003
August 3, 2011**

R647-4-109 - Impact Assessment

109.1 - Impacts to surface & groundwater systems

Comment #	Sheet/Page/Map/Table #	Comments	Initials	Review Action
1	23 & 24	As per the text of the plan, submission of a Storm Water Pollution Prevention Plan (SWPPP) is required prior to construction. Please submit a copy for the appendix in the NOI.	TM	

R647-4-112 - Variance (List all variances requested and make a finding if approving.)

Comment #	Sheet/Page/Map/Table #	Comments	Initials	Review Action
2	31	The request for a highwall variance was withdrawn on February 11, 2011. No further action is needed.	lah	

R647-4-113 - Surety

Comment #	Sheet/Page/Map/Table #	Comments	Initials	Review Action
3	Surety worksheets	Costs in general: The Division usually uses R.S. Means for demolition costs. Please use the R.S. Means unit costs and include reference numbers when practical for demolition costs. If unit costs are not available from R.S. Means please consult with the Division for an acceptable alternative. The Division will provide R. S. Means numbers on request. The Division usually uses R.S. Means for labor costs. These costs can be found in the back of the R. S. Means books. The Division usually uses the Blue Book Equipment costs for equipment costs. The Division will provide the unit costs upon request.	whw	
4	Surety worksheets	Direct costs Demolition: Please use the forms provided by the Division and do not modify them if possible. The forms submitted do not include the Means reference information. As a general rule, the Division uses R.S. Means unit costs for determining reclamation costs. The Division has no way of verifying "lump sum" unit costs, such as removal of trailer at \$700 each or fuel tanks at \$1,100 each.	whw	

Initial Review
Page 3 of 3
M/011/0003
August 30, 2011

Comment #	Sheet/Page/Map/Table #	Comments	Initials	Review Action
5	Surety worksheets	<p>Direct cost Earthwork: Please use the forms provided by the Division and do not modify them if possible. The forms submitted do not include the Blue Book rental rates. There are several rental rates in Blue Book. The Division uses the monthly rental rate and assumes 176 hours in a month. The rental rate is the cost to the contractor of owning the machine. The operating cost is the cost to operate the machine and includes fuel and routine maintenance. The overhead costs include profit and other costs that the contractor would charge over the actual operating costs. The wage rates are from R.S. Means and do not include overhead because they are already included in labor costs.</p> <p>Please include production worksheets that document how much material will need to be moved, the haul distances, and the time needed by the equipment. The productivity data can be found in the Caterpillar handbook. The Division will provide that information upon request.</p>	whw	
6	Surety worksheets	Please provide detailed engineering calculations for the amount of materials that will have to be moved during reclamation.	whw	